

International Gas Hydrate Research

March 2014



Presentation Outline

International Gas Hydrate Projects – Overview Gas Hydrate Field Projects

- MH21 Japan
- UBGH-1 & UBGH-2 Republic of Korea
- GMGS-1 & GMGS-2, Qinghai-Tibet Projects P.R. China
- NGHP01 India
- Arctic Permafrost Gas Hydrate Testing
 - -Mallik & Mackenzie Delta Canada
 - -Alaska North Slope (Statoil and JOGMEC interest)

Summary and Recommendations



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DISCOVERY • UNDERSTANDING • ACTION

Scientific Programs

Education Ocean Policy & Legislation Oceans of Opportunity

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Methane Hydrate Field Program: TOC

open all | close all

Project Science Team

Methane Hydrate Community Workshop

Program Planning and Review Documents

Historical Methane Hydrate Project Review

Report prepared for the U. S. Department of Energy - National Energy Technolby the Consortium for Ocean Leadership

News & Resources

Project Number; DE-FE0010195

Project Title: Development of a Scientific Plan for a Hydrate-Focused Marine D and Coring Program

Project Science Team

Tim Collett - project Lead Community Liaison (LCL)

U.S. Geological Survey

Jang-Jun Bahk

Korea Institute of Geoscience and Mineral Resources

U.S. Bureau of Ocean Energy Management

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Greg Myers

David Divins

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Ocean Science Experts



STATESTER PROPERTY. DOE Award No.: DE-FE0010195 hand few Matheway Hydrote hand Program: Descloyment of Method bythm / Land Married Districts, Linguistry Project Period Vant Date: October 1, 2012 Project Period Led Date: December 31, 2013 Consortium for Ocean Leadership and the Methane Hydrate Project Science Team Schmiddler Consortium for Ocean Leadership CUNS #046663582 1201 New York Aware, NW Fourth Floor, Washington, D.C. 19005 Insured for United States Department of Energy | National Energy Technology Laboratory

DENERGY NETL



DISCOVERY • UNDERSTANDING • ACTION

The Consortium for Ocean Leadership - Washington D.C. - (202) 232-3900

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Historical Methane Hydrate Project Review

Report prepared for the U. S. Department of Energy - National Energy Technology Laboratory, by the Consortium for Ocean Leadership

Project Number; DE-FE0010195

Project Title: Development of a Scientific Plan for a Hydrate-Focused Marine Drilling, Logging and Coring Program

Project Science Team

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- 4.4. Japan Tokai-oki to Kumano-nada Project (2004)
- 4.5. Gulf of Mexico JIP Leg I (2005)
- 4.6. IODP Expedition 311 (2005)
- 4.7. Malaysia Gumusut-Kakap Project (2006)
- 4.8. India NGHP Expedition 01 (2006)
- 4.9. China GMGS Expedition 01 (2007)
- 4.10. Republic of Korea UBGH Expedition 01 (2007)
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- 4.12. Republic of Korea UBGH Expedition 02 (2010)
- 4.13. MH-21 Nankai Trough Pre-Production Expedition (2012-2013)
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- 4.16. Alaska Ignik Sikumi Hydrate Production Test Well (2011-2012)

North Slope, Alaska



BP/DOE/USGS ConocoPhillips/JOGMEC/DOE North Slope Borough/DOE **BLM/USGS**

Mallik 98/02/07/08













Nankai Trough 1999-2000 2004 2012-2013





ODP 204 IODP 311





UBGH 1 & 2









Gulf of Mexico JIP

Chevron US DOE/NETL **ConocoPhillips** Statoil Total F&P





Schlumberger Minerals Management Service Japan Oil Gas Minerals National Corporation Reliance Industries Ltd

Korea National Corporation US Geological Survey AOA Geophysics

Lamont Doherty Earth Observatory

WesternGeco

Naval Research Laboratory Rice University

India







Binghamton University Colorado School of Mines Fugro-McClelland, Inc. GAIL Ltd Geological Survey of Canada Geotek Ltd Idaho National Laboratory Integrated Ocean Drilling Program JOI, Inc. Lamont-Doherty Earth Obs

Ministry of Petrol and Natural Gas

McGill University

DOE-NETL

Ocean Drilling Limited Oregon State University Oil and Natural Gas Corp Ltd OIL India Ltd Pacific Northwest Natl Lab Reliance Industries Limited Schlumberger Technical University of Berlin Texas A&M University University of California, SD University of Cardiff University of New Hampshire Universität Bremen University of Rhode Island U.S. Department of Energy U.S. Geological Survey U.S. NSF Woods Hole Ocean Inst

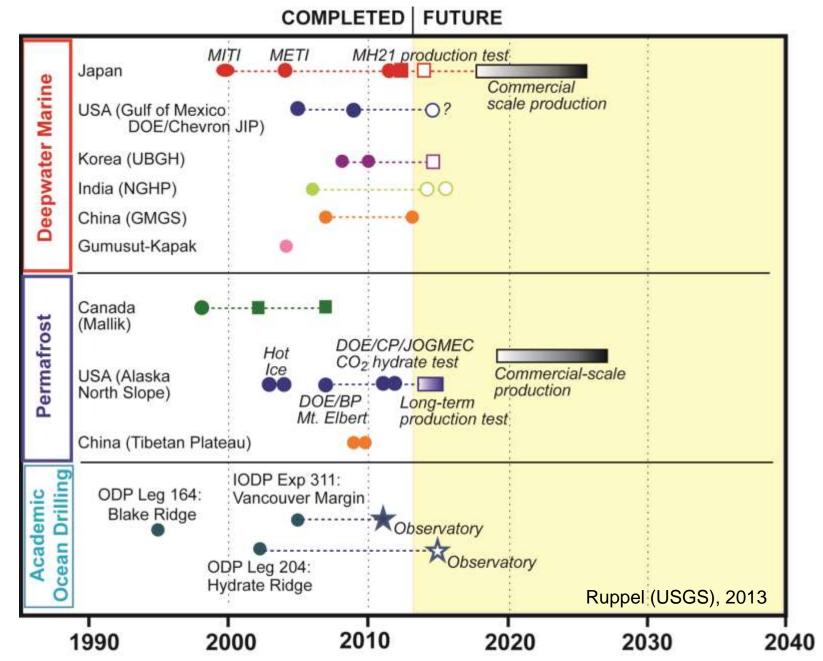
Natl Inst of Oceanography

Natl Inst of Ocean Tech

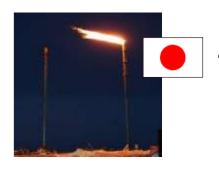


International Gas Hydrate Research

Gas Hydrate Scientific Drilling

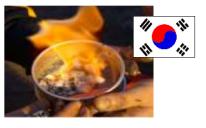






Japan

- 2012/13: Collaboration on both Arctic and Marine projects
- 2013: One-week marine production test
- 2014/15: "Extended" marine production test
- New Japan Sea project



Korea

- 2007 & 2010: UBGH-1 & UBGH-2 expeditions
- 2015: Marine production test



China:

- 2007 & 2013: GMGS-1 & GMGS-2 expeditions
- 2007 through 2011: Onshore "tests"



India

- 2006: NGHP-01 expedition
- 2009 through 2014: Site review collaboration
- 2014: 20-site LWD expedition in Bay of Bengal
- 2015: 10-site coring & wireline logging expedition in Bay of Bengal

International R&D



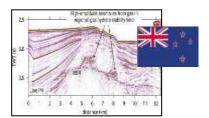
Norway (Statoil)

- Onshore long-duration production test
- Gas hydrate global screening



Canada

- Onshore Mallik Project 1998, 2002, 2007-2008
- Beaufort Shelf hazard and climate research
- Pacific and Atlantic marine gas hydrate studies



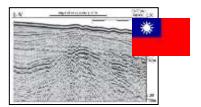
New Zealand

- Gas hydrates on the Hikurangi Margin, GNS, Univ. of Auckland
- Energy focus, marine surveys, drilling?



Germany

- SUGAR Energy Assessment Project, BGR plus others
- GEOMAR marine gas hydrate research, marine surveys
- MARUM MeBo (sea floor drill rig) drilling research



Taiwan

- Marine gas hydrate research, marine surveys
- Central Geologic Survey and the National Taiwan University
- Energy focus, marine surveys, drilling?

International R&D









Mexico

- Pemex
- Energy focus studies in the Gulf of Mexico

Columbia

- Ecopetrol SA
- Energy focus studies in the Gulf of Mexico

Brazil

- Petrobras
- Geohazard focus studies

Uruguay

- Uruguay's National Oil Company ANCAP
- Energy focus studies

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Summary and Recommendations



"Japan's Methane Hydrate Exploitation Program – MH21"

- Road Map -

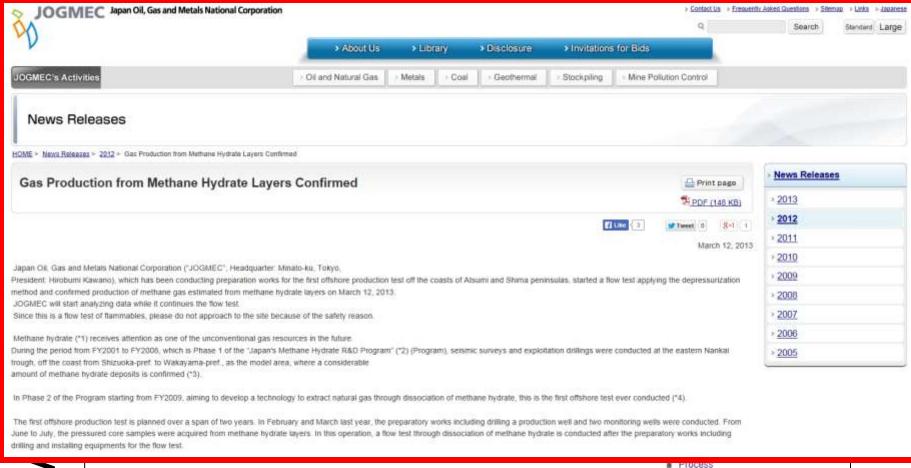
- In July 2001, METI launches the "National R&D Program for Methane Hydrate Resources in Japan" – which followed an inaugural five year study, which drilled gas hydrates in the Nankai Trough for the first time in 1999-2000.
- Middle- to long-term R&D program focusing on the commercial production of methane gas from hydrate-bearing sediments in offshore Japan.
- MH21 Three phase rolling plan for a period of 16 years focusing on five research areas: (1) Exploration, (2) Modeling, (3) Field Testing, (4) Development Technology, (5) Health-Safety Environmental Assessment.



MH21 Research Consortium

Research Consortium for Methane Hydrate Resources in Japan





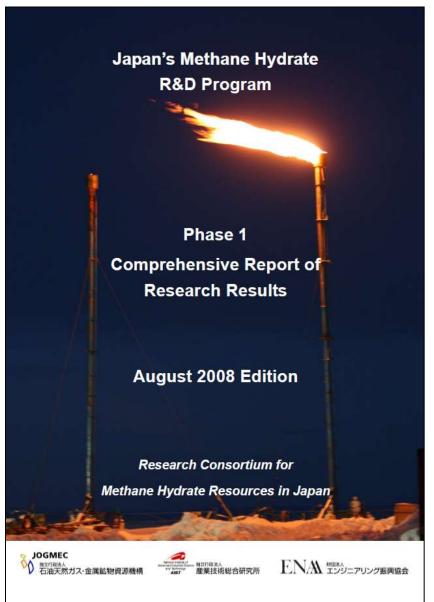
2011/03/11 Japan's Methane Hydrate R&D Program 2011/01/17 Implementation plan for Phase 2 2010/12/01 International Symposium on Methane Hydrate Resources has been concluded successfully

- Accomplishments and Issues of Phase 1
- Basic Policy and Research System for Phase 2
- Goals and Research Themes for Research Group for Field Development Technology

Okhotsk Sea 1996 Seismic/Gravity/Magnetics **National R&D Program for Methane Hydrate Resources** Joetsu-Noto Sea of Japan **MH21 Production Test** 2012-2013 Nankai Trough Drilling 1999-2000 Nankai Trough 1996 Seismic/Gravity/Magnetics Tokai-oki Kumano-nada Drilling 2005

in Japan

Research Consortium for Methane Hydrate Resources in Japan

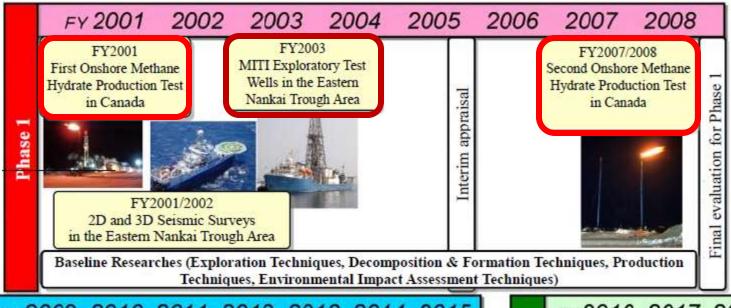


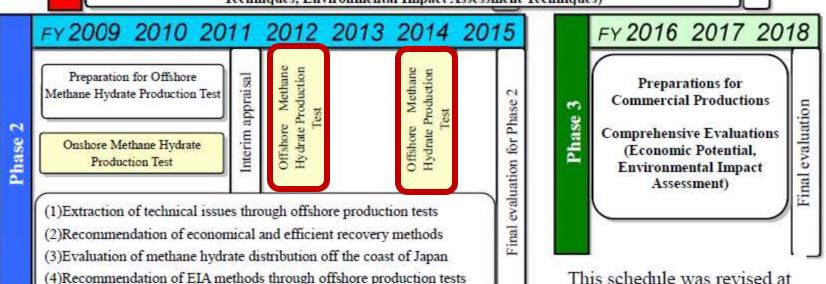
Implementation Plan for Phase 2

July 8, 2009

Research Consortium for Methane Hydrate Resources in Japan

Japan's Methane Hydrate R&D Program

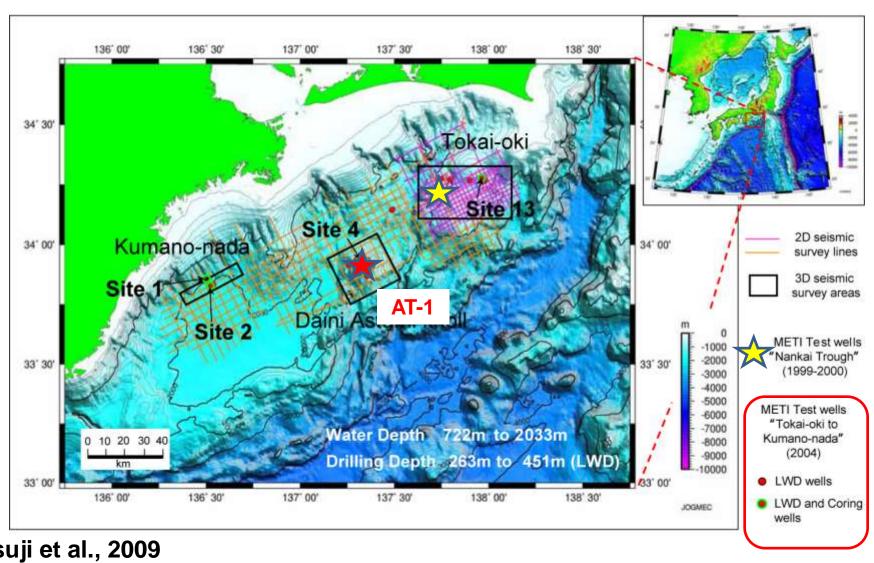




the end of Phase 1.

National R&D Program for Methane Hydrate Resources in Japan

-Seismic Research and Drilling-



OTC 20729

Reservoir Characterization of Methane Hydrate Bearing Turbidite Channel in the Eastern Nankai Trough, Japan

S. Noguchi, N. Shimoda, N. Oikawa, O. Takano, T. Saeki, T. Inamori, T. Fujii, (JOGMEC)

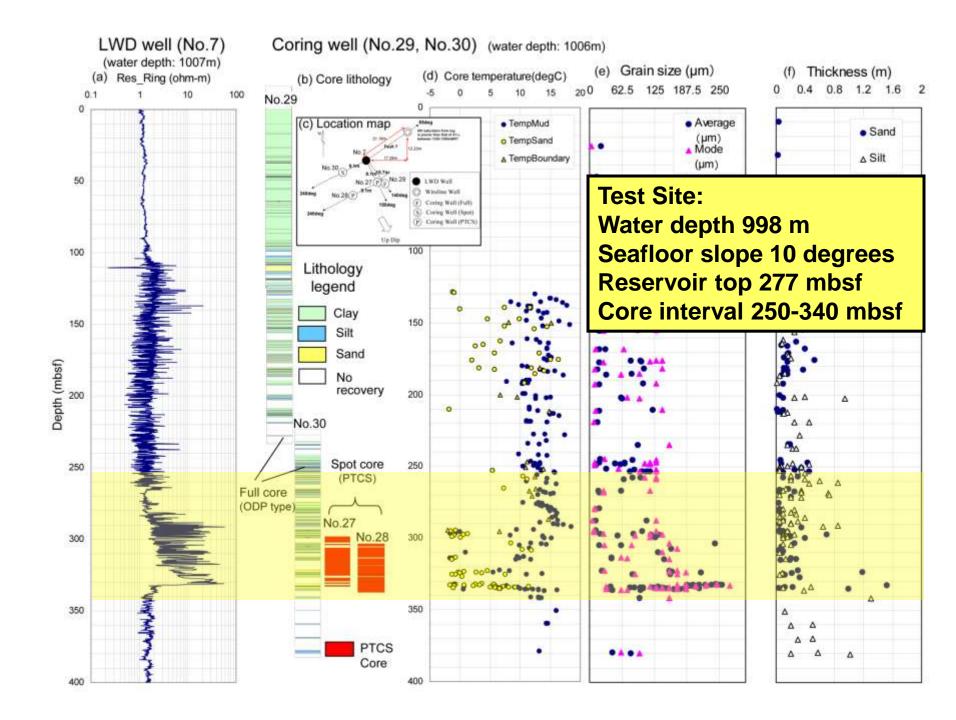
75th EAGE Conference & Exhibition incorporating SPE EUROPEC 2013 London, UK, 10-13 June 2013

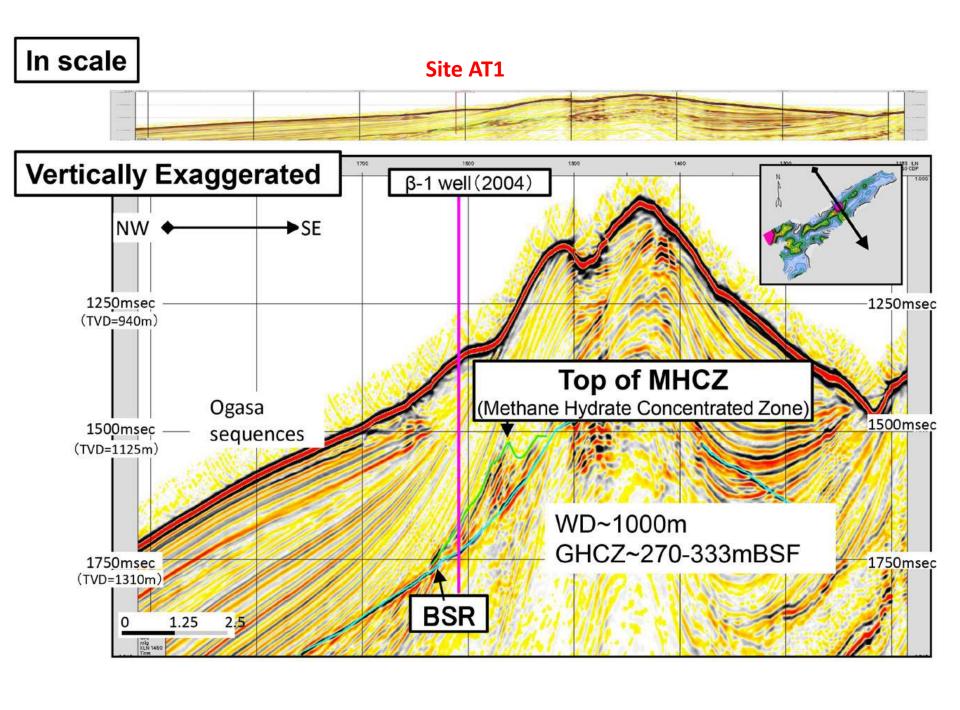


Workshop paper: B10

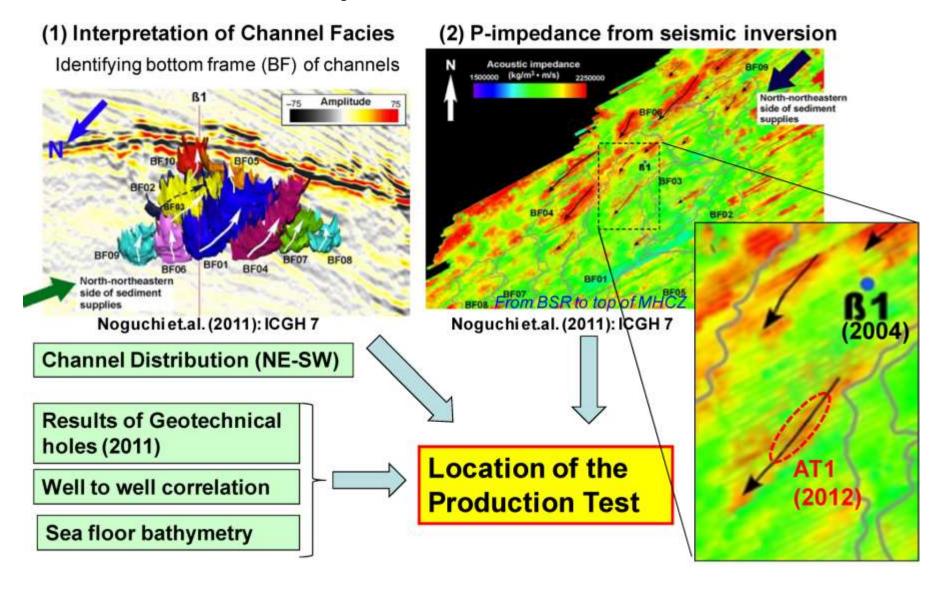
Site Selection and Formation Evaluation at the 1st Offshore Methane Hydrate Production Test Site In the Eastern Nankai Trough, Japan

T. Fujii* (Japan Oil, Gas and Metals National Corporation (JOGMEC)), S. Noguchi, T. Takayama, K. Suzuki, K. Yamamoto & T. Saeki



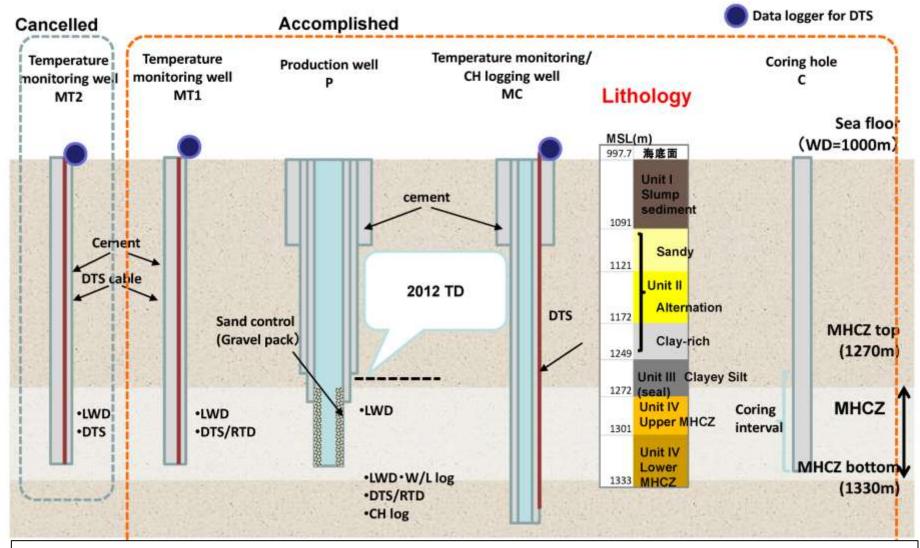


Geologic/Geophysics Characterization of the JOGMEC Gas Hydrate Production Test Site



Wells after the drilling campaign





One production well (AT1-P), two monitoring wells (AT1-MC and MT1), and one core well (AT1-C) were established.

JOGMEC Gas Hydrate Production Test

Jiji Press (Mar. 20, 2013) http://www.yomiuri.co.jp/dy/business/T130319003171.htm



The government completed test production of methane gas from seabed methane hydrates off Aichi Prefecture on Tuesday, earlier than initially planned, due to bad weather and equipment problems. The test production, the world's first from seabed methane hydrates, began March 12 for a two-week run. The industry ministry indicated it was difficult to continue as stormy seas were forecast. However, the ministry said the test was fairly successful and the shortened period would not affect future research and development. It will continue to work toward establishing technologies to produce gas from seabed methane hydrates on a commercial basis by fiscal 2018.

Production Period: About six days

Cumulative Gas Production: ~120,000 cubic meters (4,200,000 cubic feet)

Mean daily gas Production: ~20,000 cubic meters (700,000 cubic feet)

NEWS RELEASE

www.jogmec.go.jp

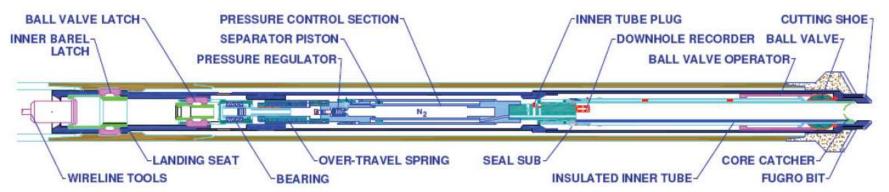
Japan Oil, Gas and Metals National Corporation

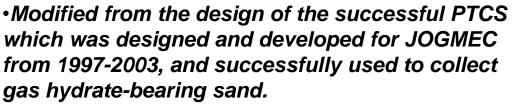
Methane Hydrate R&D Division, Technical Department
Fax:+81-43-276-4062 mh21info@jogmec.go.jp
Public Relations Division, General Coordination Department
UEMATSU Fax:+81-3-6758-8008



Gulf of Mexico JIP Project

Hybrid-PCS Tool Development and Testing







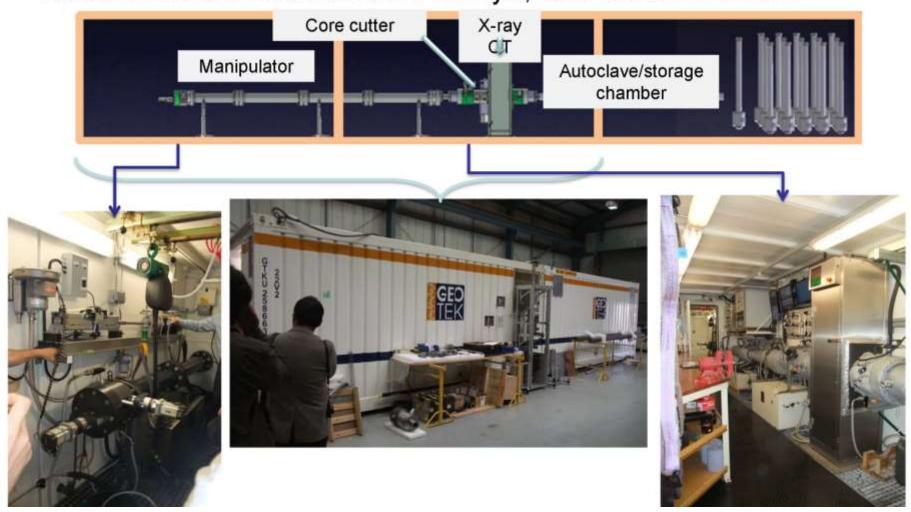
- •Corer/drill pipe assembly is driven from the top drive, cutting a 3.5m long 54mm diameter core.
- •Upon completion of the coring process a running tool connects with the corer for retrieval.



Hybrid PCS/PCTB – JAMSTEC (CEDEX) and JOGMEC: Industry standard pipe of 5.5 inch ID and core strings on the Chikyu and the Resolution – deployed by JOGMEC June 2012 in the Nankai Trough.

PCATS

- Pressure core is transferred to the device, X-ray and MSCL (sonic, density) scanned, cut, and stored in storage chamber.
- · Loaded on the back deck of Chikyu, and used on board



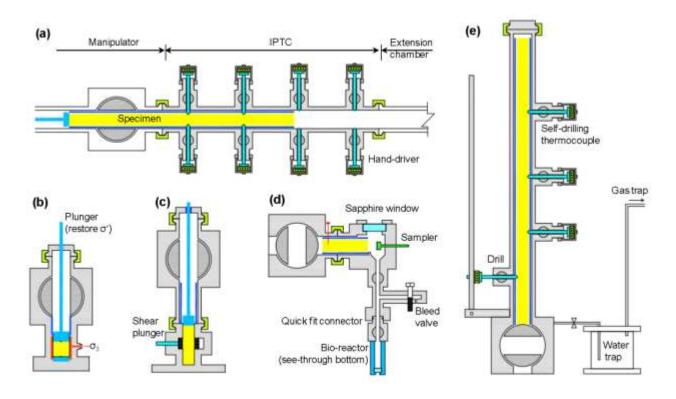
Lab Pressure Equipment and Storage Vessels

IPTC - USGS/Georgia Tech

Vp-Vs, thermal & electrical conductivity, strength, water/gas sampling IPTC manipulator IPTC cutting tool

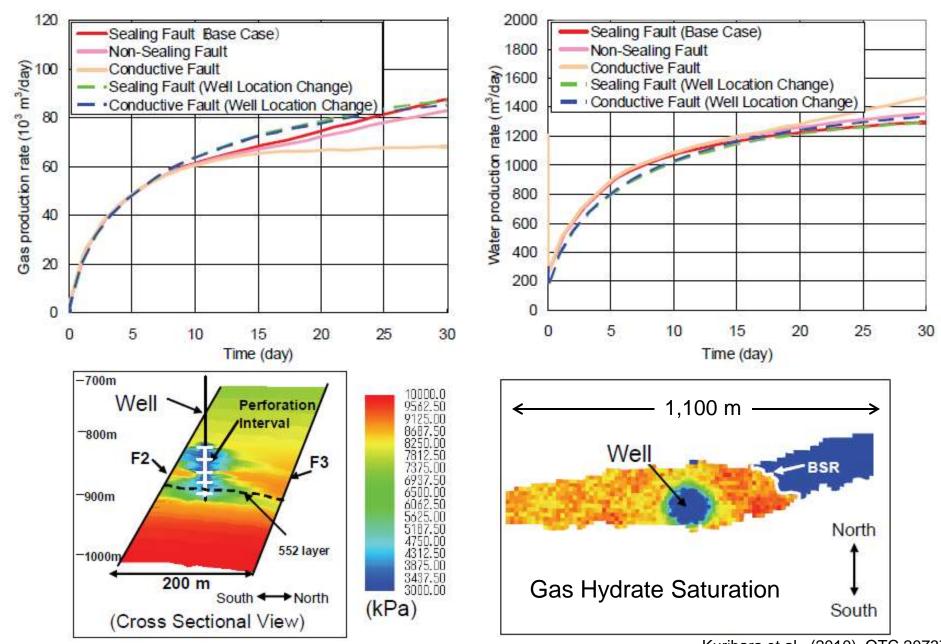
Effective stress cell – Georgia Tech

Vp-Vs, thermal & electrical conductivity
Shear strength device
Water/gas sampling
Mass-transfer
Microbio-reactor



- (a) IPTC, (b) ESC effective stress chamber, (c) DSC direct shear chamber, (d) BIO sampler,
- (e) CDP depressurization chamber

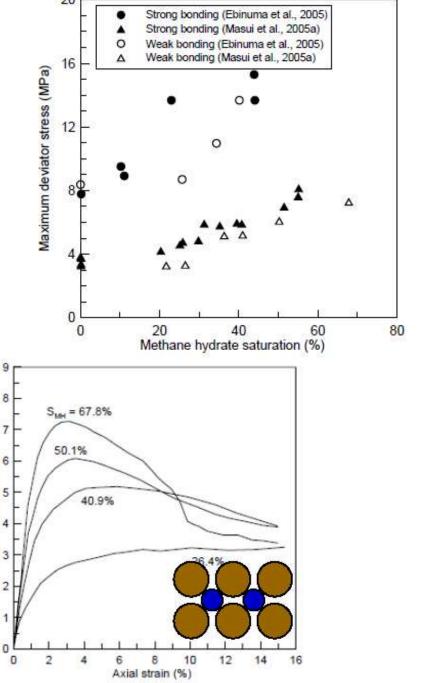
Reservoir Production Modeling – α1 Site

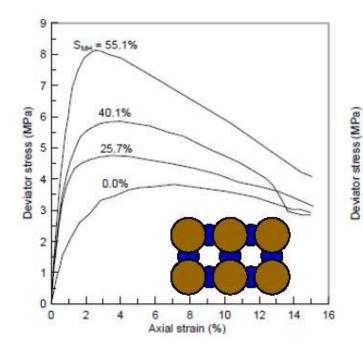


Kurihara et al., (2010), OTC 20737

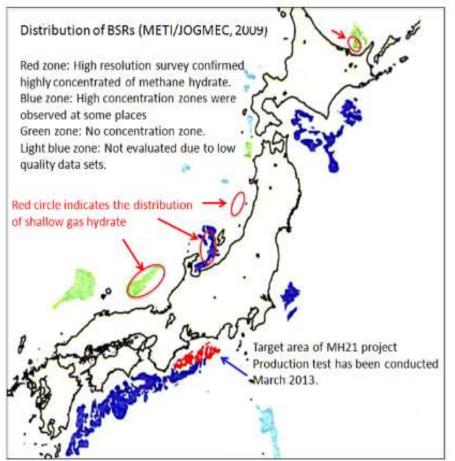
Methane Hydrate Geomechanical Studies

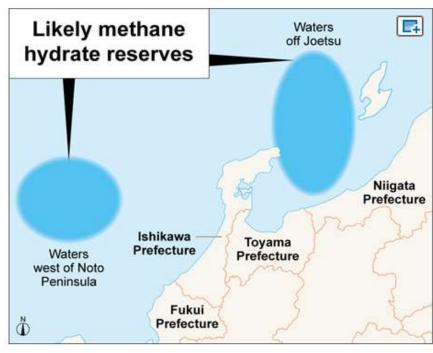
Koji Yamamoto (2008) IACMAG Synthetic hydrate laboratory studies





Joetsu-Noto Methane Hydrate, Sea of Japan



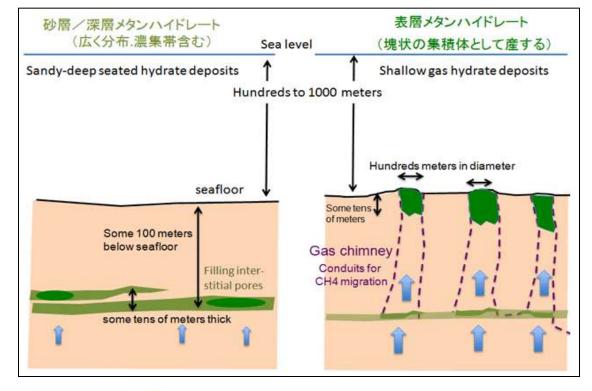


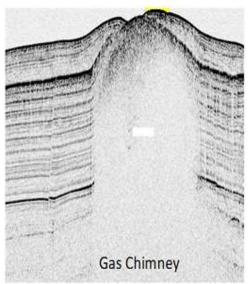
Agency for Natural Resources and Energy (ANRE) Funded by the Ministry of Economy, Trade and Industry

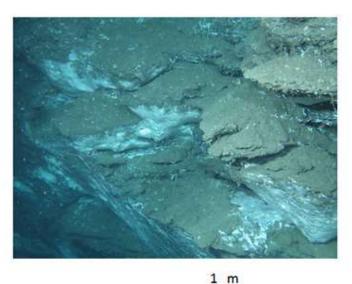
"Survey of Shallow Subsurface Methane Hydrate Resources with 225 sites with geographical features suggesting reserves of methane hydrate in waters off Joetsu, Niigata Prefecture, as well as the Noto Peninsula"

Joetsu-Noto Methane Hydrate, Sea of Japan

"Most of the methane hydrate deposits in the Sea of Japan are concentrated near the seafloor's surface, while the reserves in Pacific waters off the Atsumi Peninsula are contained in sandy sediment layers beneath the ocean floor. That means reserves in the Sea of Japan are likely more accessible"







500 m



Korea: "Gas Hydrate Research and Development Organization - GHDO"

Ministry of Commerce, Industry and Energy (MOCIE now MKE)
Korea Institute of Geoscience and Mineral Resources (KIGAM)
Korea National Oil Corporation (KNOC)
Korean Gas Corporation (KOGAS)

- Conduct marine geophysical surveys in the East Sea (2000-2004).
- This project has included the acquisition of >7,000 km of 2D MCS profiles and >5,000 km of single channel seismic profiles; and a total of 38 shallow core holes <10 mbsf.
- Basic and applied gas hydrate laboratory studies dealing with gas hydrate physical properties and reservoir simulation.
- Conducted gas hydrate research coring and logging in the Ulleung Basin in 2007 (UBGH1).
- Second gas hydrate research coring and logging expedition conducted July-September 2010 in the Ulleung Basin (UBGH2). Plus new 2D and 3D seismic data acquisition.
- Gas hydrate production testing in the Ulleung Basin in 2015.

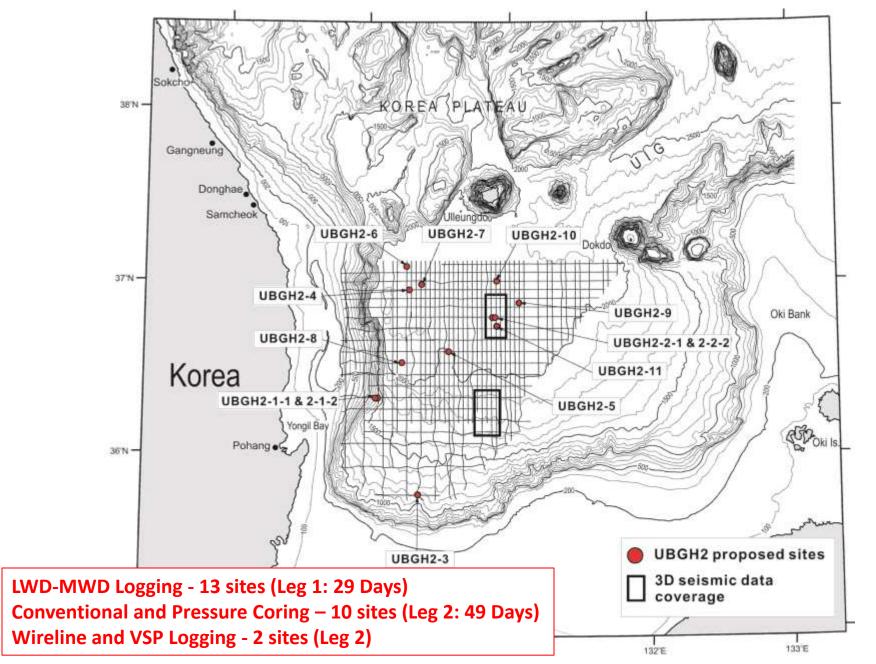
Long Term Plan for Gas Hydrate in Korea

Execution of the project by phase with the target of commercial production in 2015

Field	preliminary step (2000 ~ 2004)	1 st phase (2005 ~ 2007)	2 nd phase (2008 ~ 2011)	3 rd phase (2012 ~ 2014)
1. Regional Seismic Survey & Basic R&D				
2. Prospect I Survey & Drilling (Component research)		UBGH1 2007		
3. Prospect II Survey & Drilling (Base technology for production)			UBGH2 2010	
4. Test Production & Confirmation of production method				UBGH3 2014

Korea: "Gas Hydrate Research and Development Organization"
Korea Institute of Geoscience and Mineral Resources (KIGAM)
Korea National Oil Corporation (KNOC)

Ulleung Basin Gas Hydrate Drilling Expedition (UBGH2) 2010



Ulleung Basin Gas Hydrate Prospects

- -<u>Chimney</u> structures (vents, etc.)
- -Diatom-rich hemipelagic <u>fracture-</u> dominated reservoirs
- -Sandy debris flows
- -Turbidite sands

LWD-MWD Logging - 13 sites (Leg 1)
Conventional and Pressure Coring – 10 sites (Leg 2)
Wireline and VSP Logging - 2 sites (Leg 2)

UBGH2 Expedition Report

KOREAN NATIONAL GAS HYDRATE PROGRAM

THE SECOND ULLEUNG BASIN GAS HYDRATE DRILLING EXPEDITION (UBGH2)

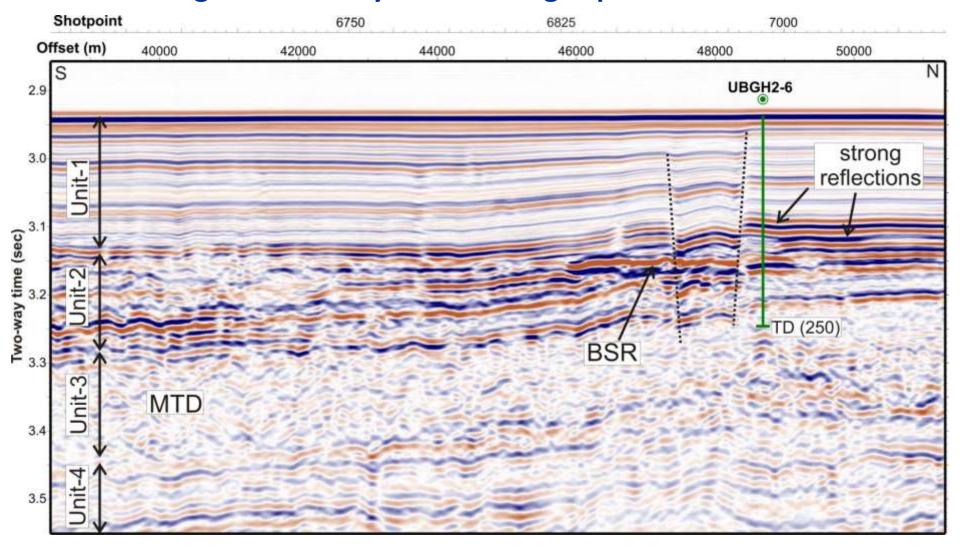
EXPEDITION REPORT

Ulleung Basin, East Sea of Korea Sites UBGH2-1_1 through UBGH2-11 9 July 2010 - 30 September 2010

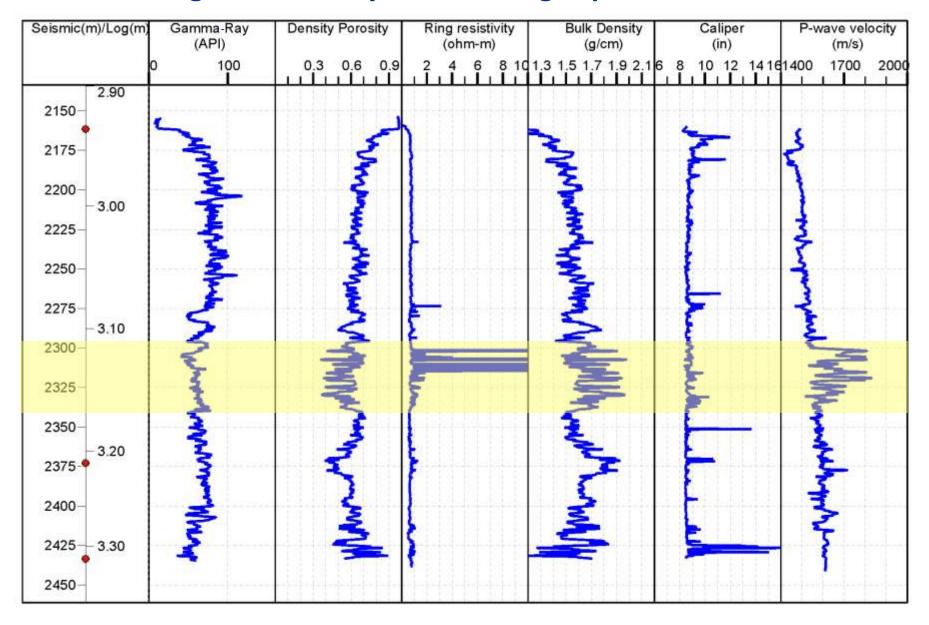
Volume authorship

B.-J. Ryu, G.-Y. Kim, J.-H. Chun, J.-J. Bahk, J.Y. Lee, J.-H. Kim, D.-G. Yoo, T.S. Collett, M. Riedel, M.E. Torres, S.-R. Lee and the UBGH2 Scientists

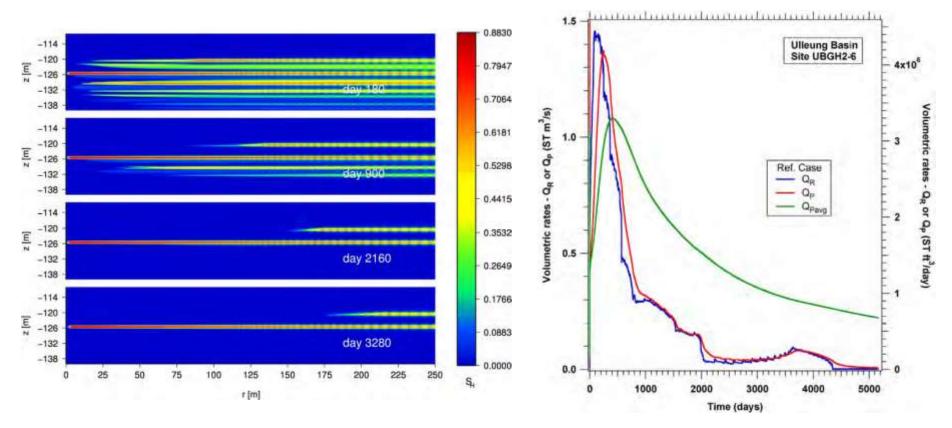
Ulleung Basin Gas Hydrate Drilling Expedition: UBGH2-6



Ulleung Basin Gas Hydrate Drilling Expedition: UBGH2-6



Site UBGH2-6 Gas Hydrate Production Modeling



Production rate of 1.5 ST m³ per sec (4.5x10⁶ ST ft³ per day).

Total production of 10⁸ ST m³ (3.5x10⁹ ST ft³) in 5200 days (about 14 years)

The low production rate is caused by the relatively low amount of the resource (10 m of hydrate-bearing strata) and the low overall permeability of the system with clay interlayers.

Ulleung Basin Gas Hydrate Production Test Plan

GHDO Gas Hydrate Production Test Plan

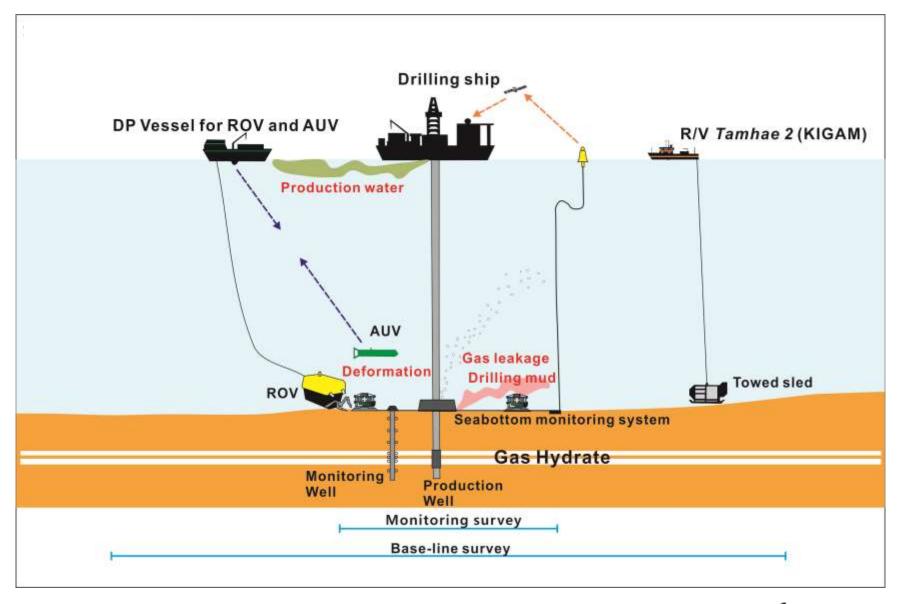
September, 2012: Determination of budgets

September, 2013: Determination of test production sites

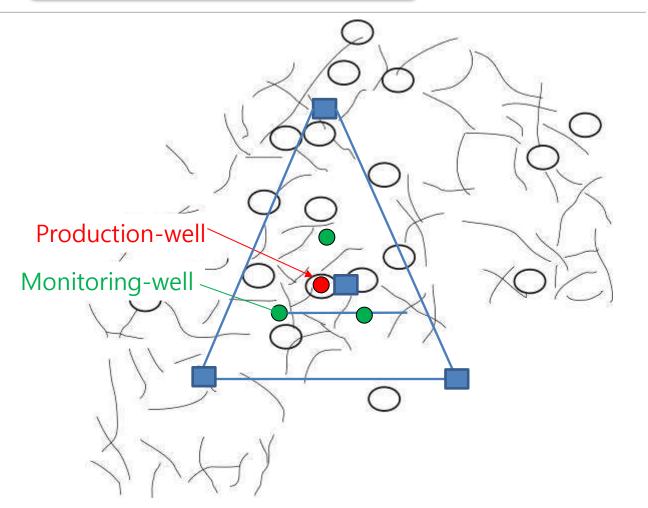
September, 2014: Development of test plan

April-June, 2015: Performance of production test

2015 Environmental Impact Study



2015 Monitoring Study



- ◆ Interpretation of seafloor deformation
- Connection of four observation platforms and monitoring well
- Acquisition and broadcast of real-time monitoring data



India: "National Gas Hydrate Program"

- -The National Gas Hydrate Program (NGHP) was initiated by the Ministry of Petroleum and Natural Gas (MOP&NG) in 1997.
- -In 2000, the National Gas Hydrate Program (NGHP) was reconstituted by MOP&NG with the direction of the Directorate General of Hydrocarbons (DGH)
 - A. Steering Committee PN&G, as directed by MOP&NG
 - B. Technical Committee MOP&NG, DGH, ONGC, GAIL, OIL, NGHI, CSIR, NIO, NIOT, DOD
 - C. Operational Subgroups Drilling (ONGC), Production (ONGC), Geoscience (ONGC), Environment (ONGC), Transportation (GAIL)
- -In 2006 research drilling, coring and logging under NGHP Expedition 01
- -In 2014/2015 research LWD, coring, and wireline logging under Expedition 02

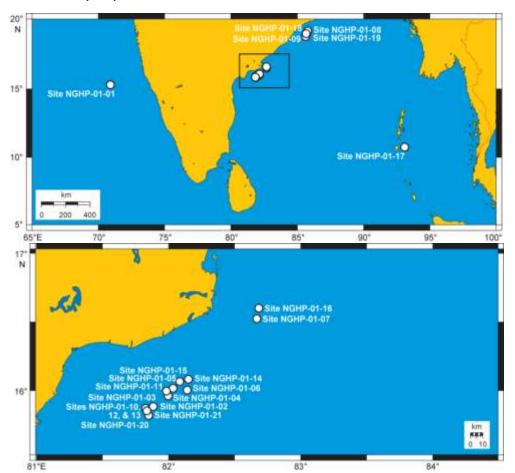
India: "National Gas Hydrate Program" NGHP R&D Activities

- -Journal of Marine and Petroleum Geology NGHP 01 Scientific Results Vol
- -NGHP02 Drill Site Review and Selection Gas Hydrate Prospecting
- -NGHP02 Operations Project Scope and Planning
- -Gas Hydrate Production Modeling with Laboratory Support
- -India National Gas Hydrate Assessment
- -NGHP03 Gas Hydrate Production Testing
- -Development of Domestic R&D Capabilities

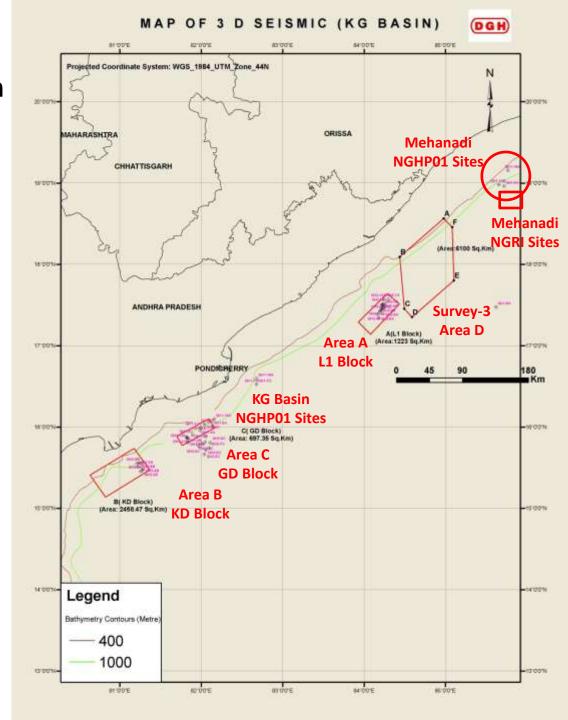
NGHP Expedition 01

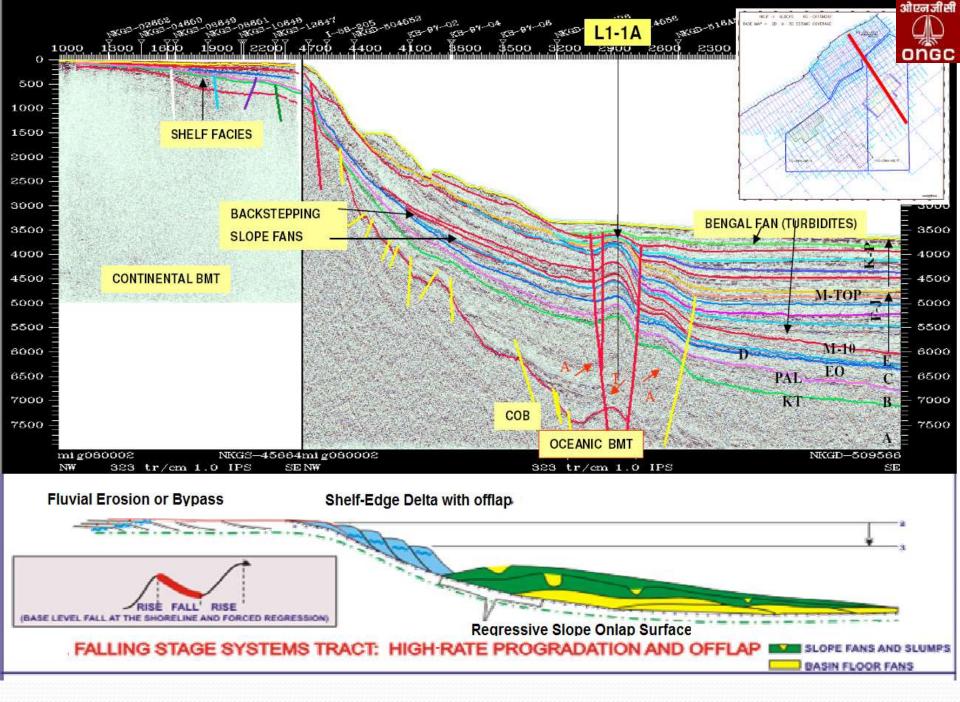
- Expedition began in Mumbai, India (April 28, 2006) and ended in Chennai, India (August 19, 2006).
- 21 sites were established during NGHP Expedition 1, Total of 39 holes, 12 LWD-MWD holes were drilled; 27 core holes; 13 wireline logged holes and six VSP surveys.
- Examined 9,250 m sedimentary section; 2,850 m of recovered core.

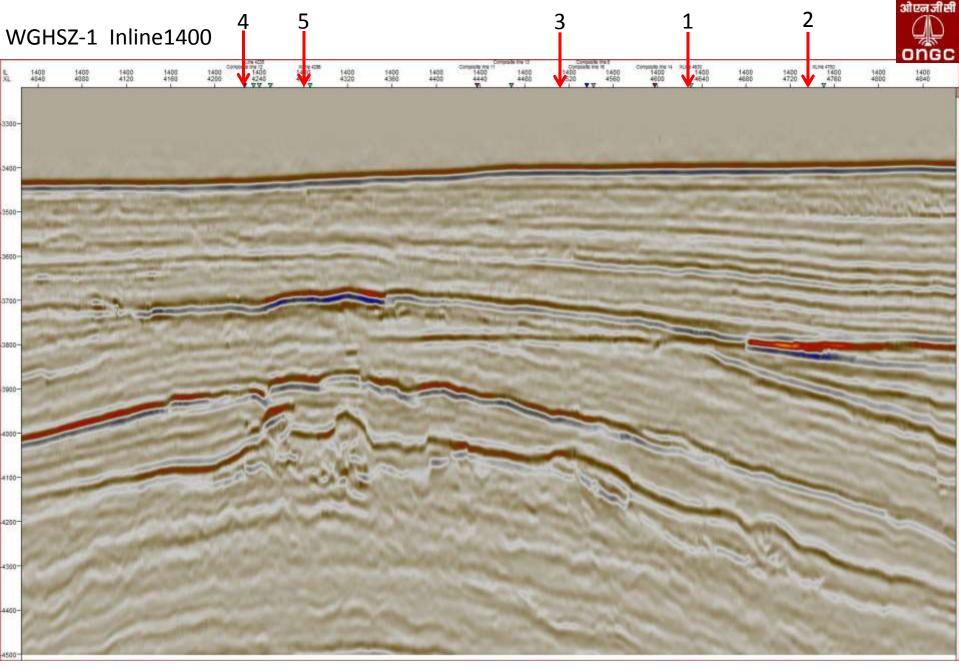
Kerala-Konkan: One Site Krishna-Godavari: Fifteen Sites **Mahanadi:** Four Sites **Andaman Islands:** One Site



National Gas Hydrate Program NGHP Expedition 02 Gas Hydrate Prospecting

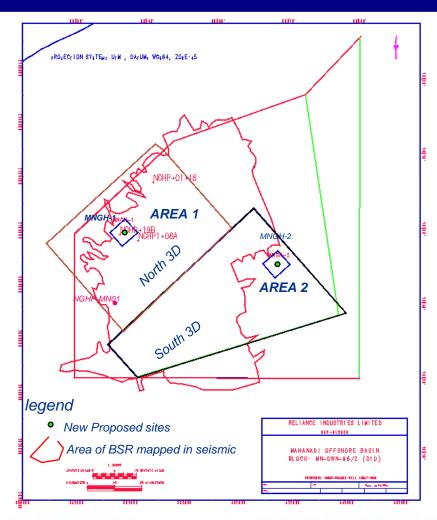


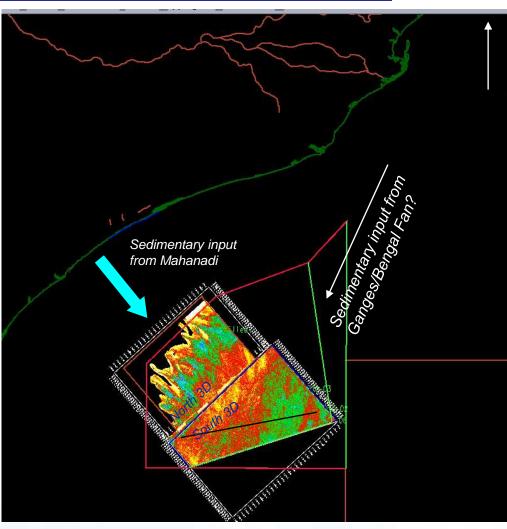




Block MN-DWN-98/2 (MND-10)





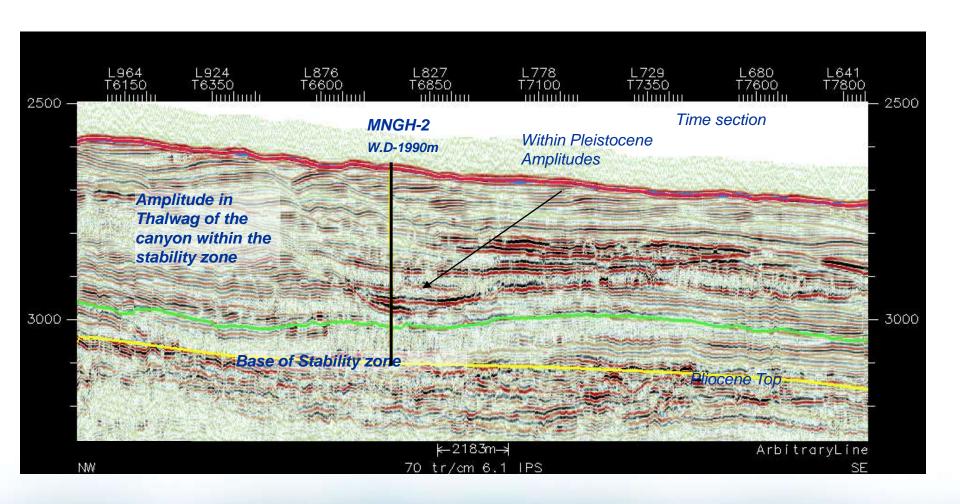


Pliocene Depositional fairways from 3D Seismic. The Northern 3D where 4 sites were drilled during NGHP 01 is more oriented in the NW direction

49

BlockMND10: Site MNGH-2







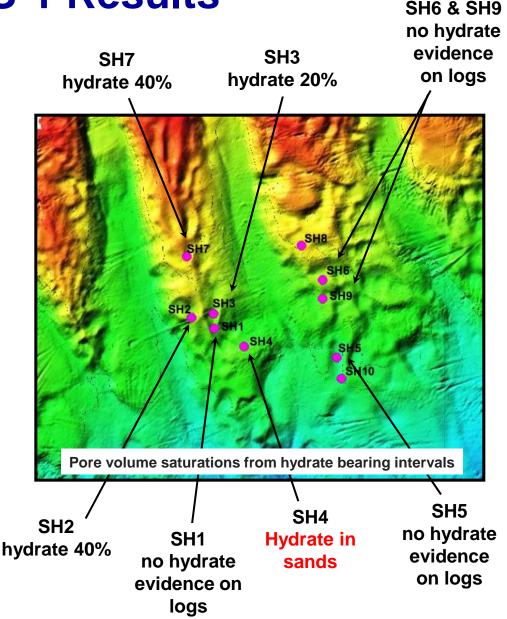
China: "China National Gas Hydrate Program"

Guangzhou Marine Geological Survey (GMGS)
China Geological Survey (CGS)
The Ministry of Land and Resources of P. R. China

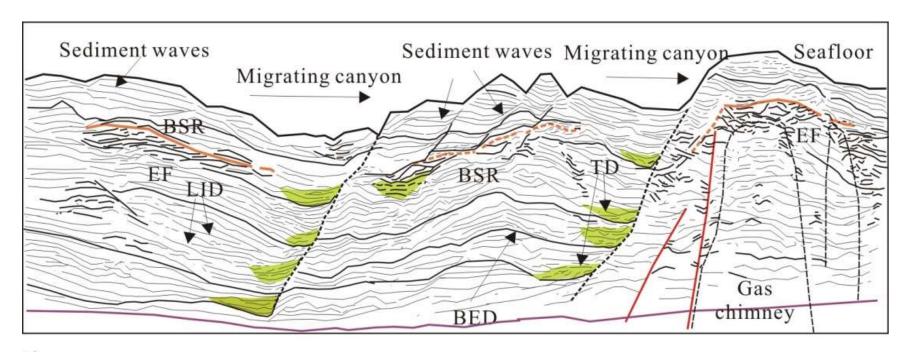
- -Examine the geologic occurrence of gas hydrates in the South China Sea
- -Assess the resource potential of gas hydrates in the offshore of China
- -Expedition GMGS-1 (2007): Shenhu area of the South China Sea
- -Expedition GMGS-1 (2013): Pearl River Mouth Basin of the South China Sea
- -USGS cooperative gas hydrate research with the Institute of Oceanology, Chinese Academy of Sciences (Dr. Xiujuan Wang)

GMGS-1 Results

- 8 sites were drilled, 5 sites were extensively sampled
- Water depths of up to 1500 m
- Coring & drilling up to 250 mbsf
- Presence of hydrate confirmed at three locations (plus one sand-rich reservoir)
 - Layer above GHSZ, 10 to 25+ m thick
 - Disseminated in fine grained, forambearing to rich clay interval
 - Saturations of 20 to 40% of the pore volume
 - Gas composition was 99% methane
- Post-cruise analyses
 - Interpretation/review of datasets collected at sea
 - Analysis of samples, such as frozen gas hydrate-bearing sediment, pressure cores, etc.



Shenhu Area Depositional System

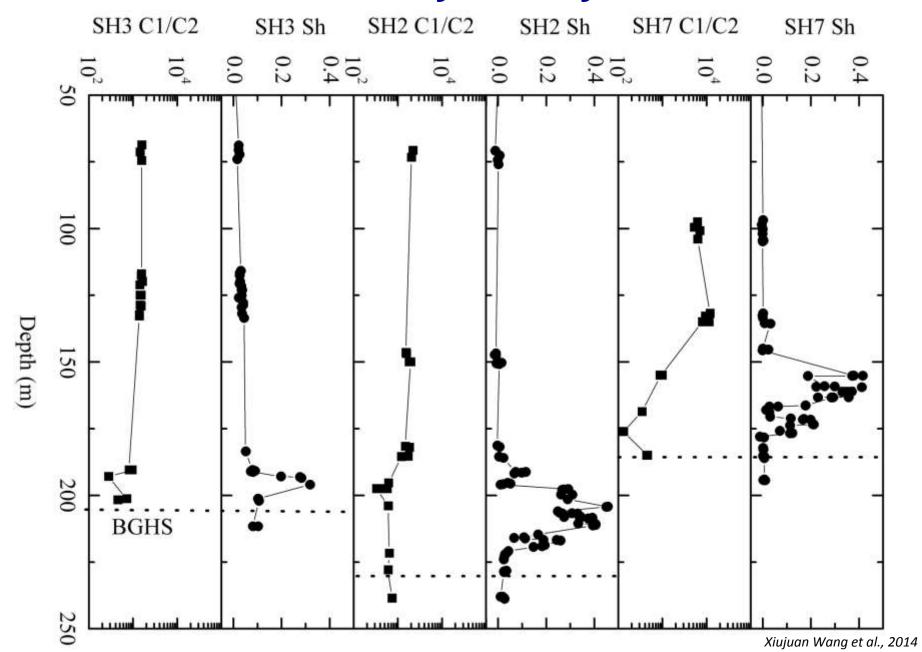


EF: Enhanced reflections
LID: Lateral inclined deposit

EF: Enhanced reflections BSR: Bottom simulating reflector TD: Thalweg deposit

BED: Basal erosional discontinuities

GMGS-1 Gas Chemistry and Hydrate Saturation





⊗GMGS2-07

GMGS2-04 ⊗

GMGS2-0fl

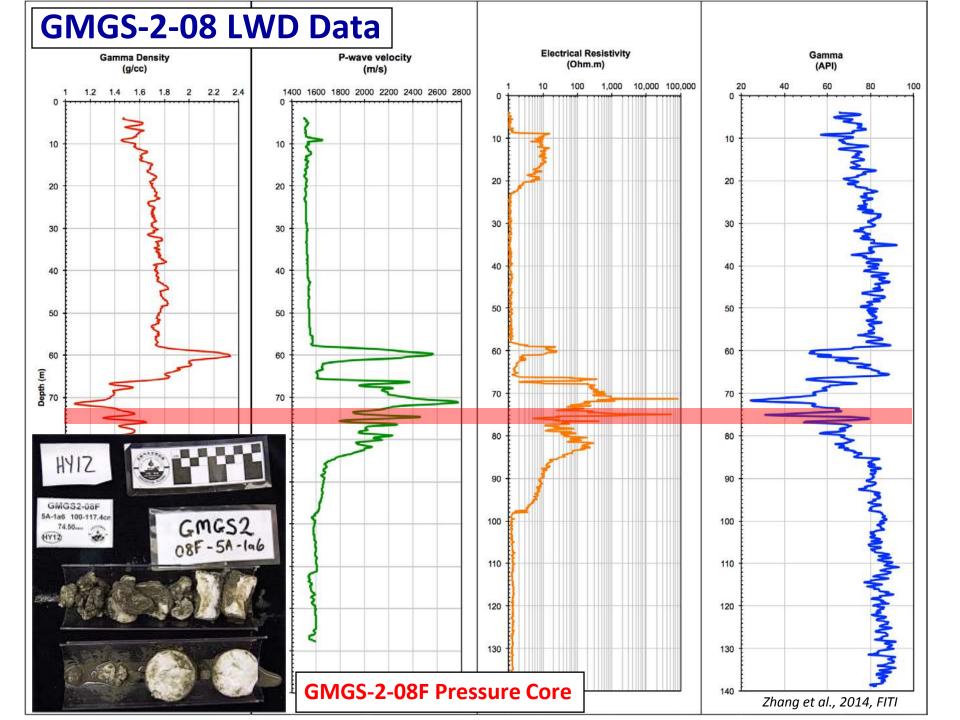
GMGS2-08 ⊗9 GMGS2-08S

©GMGS2±05

© GWG535-03

GMGS2+111

GMGS-2 Gas Hydrate Expedition



China Permafrost Gas Hydrate Drilling and Testing





China Permafrost Gas Hydrate Drilling and Testing

2007: First scientific drilling for gas hydrate at the *Muli Spot*, *Qinghai-Tibet*.

2009: Additional drilling/coring at the *Muli Spot, Qinghai-Tibet*. New drilling in the *Mohe Basin* in northeast China (Heilongjiang).

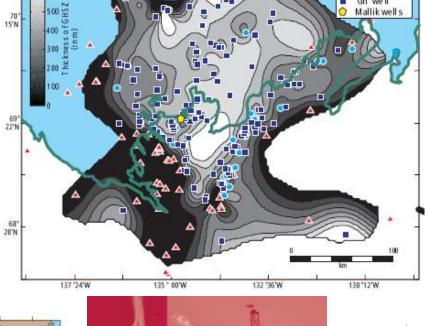
2011: Additional drilling at the *Mohe Basin* and new drilling at a third site in the Qiangtang Basin on the Qinghai-Tibet Plateau. Production testing at the *Muli Spot*.

Ministry of Land and Resources China – China Geological Survey

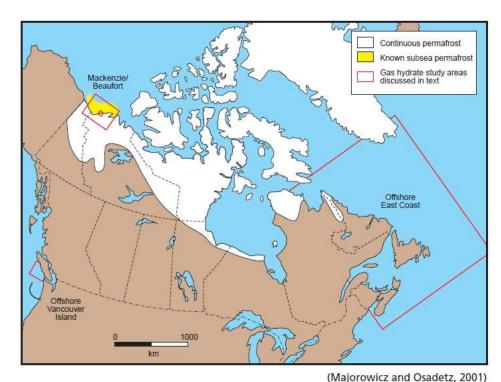


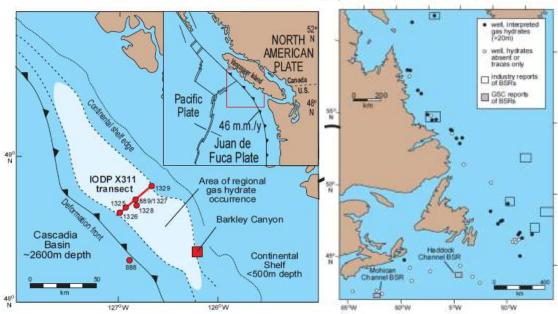
Canada: Gas Hydrate Research Interest NRCan – Geological Survey of Canada - Current Objectives & Status -

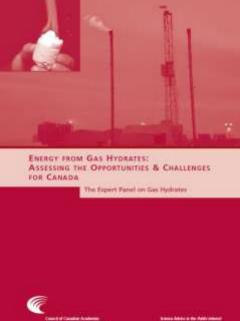
- -Mallik gas hydrate production testing projects 1998, 2002, 2007/2008
- -Marine (offshore Pacific and Atlantic margin) and Arctic focus (Mackenzie Delta Beaufort Shelf)
- -Research Focus: (1) Constrain exploration models, (2) Quantify the physical properties of gas hydrate, (3) Develop appropriate production methods
- -Focus on gas hydrates as an "environmentally friendly" source of energy for North America
- -Benefits of hydrate production on northern and coastal communities
- -Assess gas hydrate related geologic hazards and climate change implications



600







Canada

Nongh well

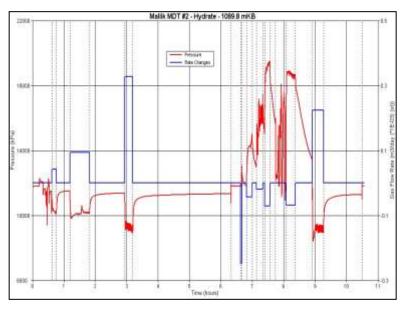
No dat a well

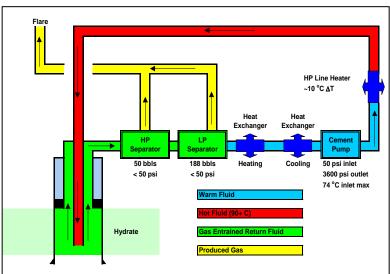
Gh well

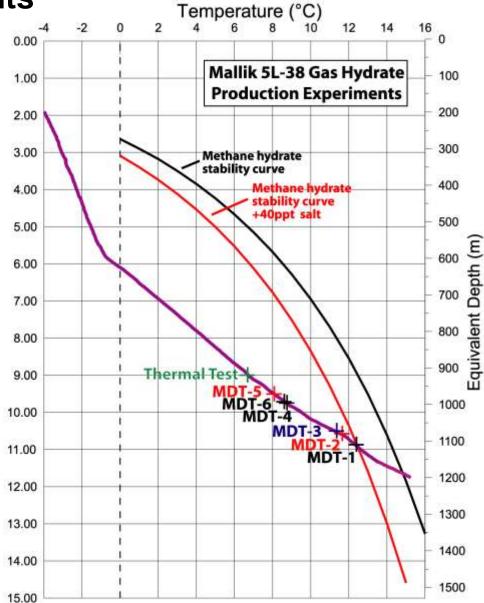


Mallik 2002 Thermal and Depressurization Experiments

Pressure (MPa)

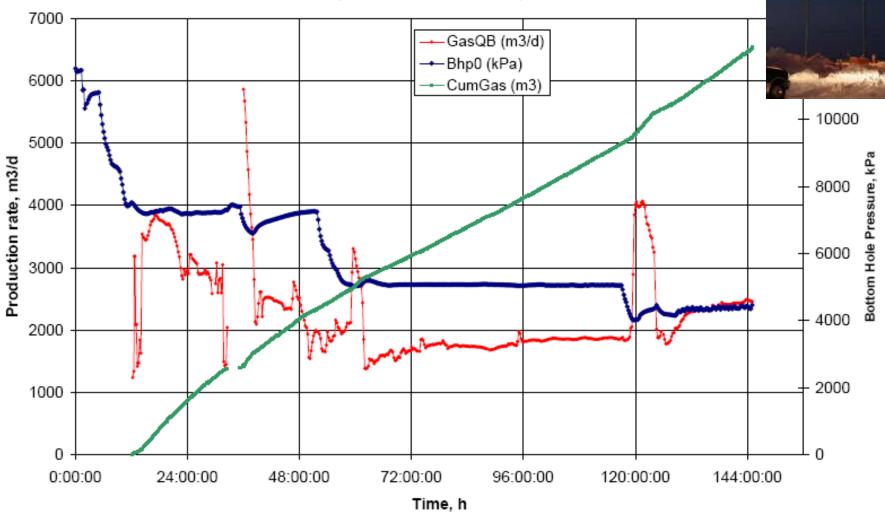






Mallik 2007/2008





National Energy Board, 2008



DOE-CPAI-JOGMEC (2012): "Ignik Sikumi" Field Trial

Potential for CO₂ sequestration through CO₂-CH₄ Exchange Technology

Conducted when BP withdrew their plan to conduct conjoined depressurization/gas exchange testing from a PBU facility Conducted off ice... Completed in year of \$0 funding to the program

- \$7 Million obtained via JOGMEC
- \$5 Million obtained via NETL FWP to DOE Office of Science

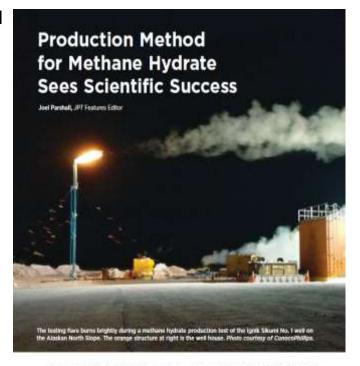
GOAL: Investigate potential role of CO₂ injection in future hydrate production approaches.

improved carbon balance? improved geomechanical stability?

FINDINGS:

- Confirmed, delineated rich deposits in westend PBU
- Demonstrated ability to inject mixed gas and to exchange CO₂ for CH₄
- Observed favorable geomechanical response
- Injection leads to complex reactions and will sacrifice production rate
- Depressurization remains most promising process for production
- Exchange may have a role in select settings

NETL- international modeling consortium convened to further investigate downhole processes



reduction method that could anlack large receive methane hydrate in sund-dominated reservoirs sted successfully from a scientific and operational standpoint in a recent research experiescen on the Alaskan North Slope (ARS). The experiment was conducted by the National Energy Technology Laboratory (MITL) of the Detect States Department of Energy (DOE) is partnership with Cons- of CO, with the methans molecules contained in a methans on Phillips and Japan OE, Gas, and Metals Rational Corporation. Indicate or actors. "The Scots of the test, including the design

ary and to April at the Ignik Silconi No. 1 well in the Pradice — mology, rather than an attempt to produce gas at commercial Bay field operated by Consend Hallign. The production inchnique - rains," Bornell said. featured the injection of carbon dioxide (OG,) to exchange and release methate (CII.) from the hydrone, a method developed. CO₂ Mixture Injected in Reservoir through laboratory collaboration between the University of . The Ignik Skurni well test was equipped with devertole filter-Bergon in Norway and ConocciPhillips. The released gas was then produced by means of reservoir depressurtations.

back from a single well to validate that the CO₂/CH₄ exchange mechanism demonstrated in laboratory tests will occur in a reserveir of natural methane hydrates," said Ray Boswell, techonlogy manager for gas bydeates at the NETS. It was the first field-level trial of a production method brooking the exchange A proof of coacept test was conducted between its Febru- of the well, was on the technical flexibility of this new tech-

optic distributed temperature and accountic sensing, three devention pressure gauges, and full surface instrumentation,









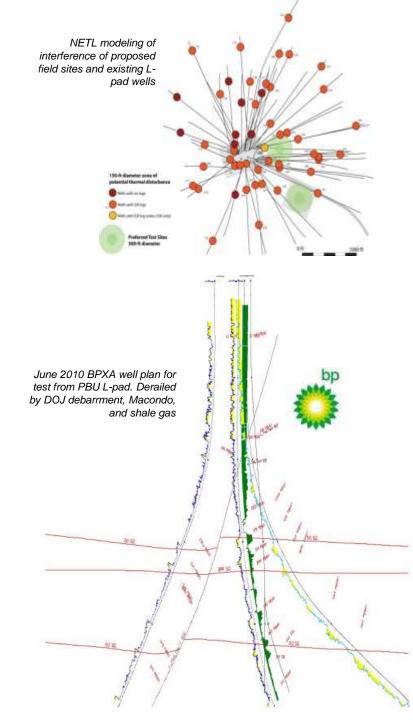
Plan for Alaska Gas Hydrate R&D

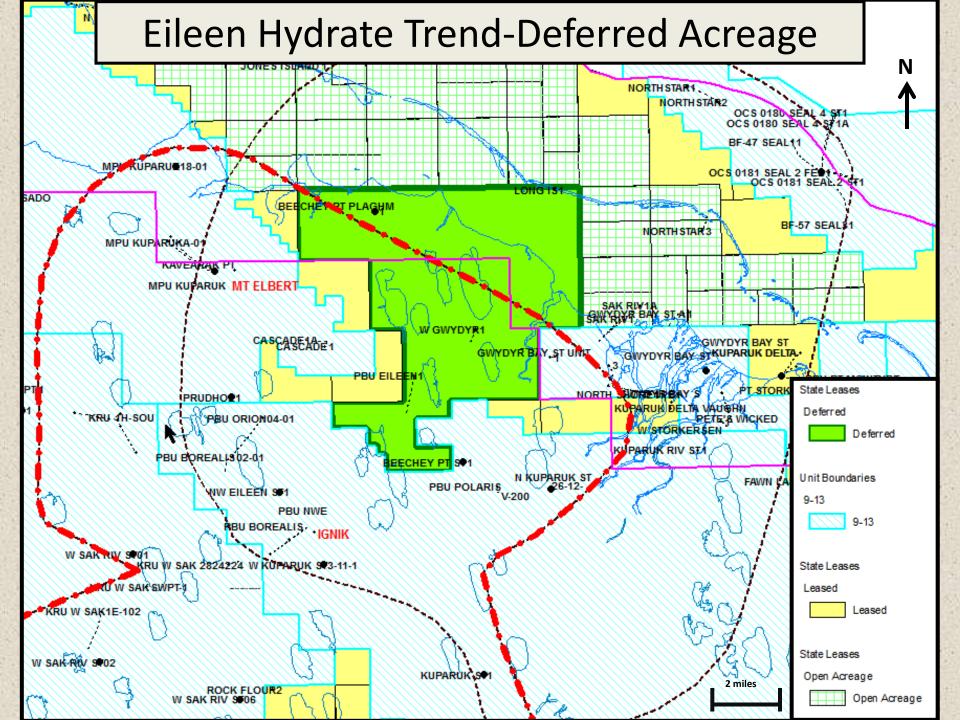
Ongoing Cooperative Agreements with BPXA and CPAI

- Test of many months duration remains necessary not possible in Arctic w/o the infrastructure available only in the PBU.
- PBU owners have no further interest in operating such a test within the unit, and 3rd parties cannot operate within the unit.

New Initiative with the State of Alaska

- State of Alaska has withheld acreage and signed an MoU with DOE to facilitate continued research.
- Meeting in Denver to review AK DNRs interpretation of proprietary G&G data.
- Solicitation will expect phased proposals to evaluate logistics, gather necessary G&G, and conduct monitored depressurization test.
- Tests will be costly (about \$50 Million). Expect high cost share; perhaps 80% plus. Interested parties include JOGMEC and Statoil.







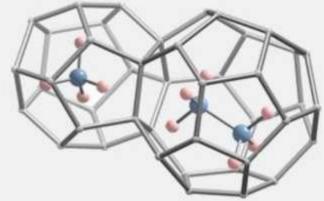


Jarle Husebø, PhD
Senior Engineer Reservoir Technology
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Gas Hydrates as a resource

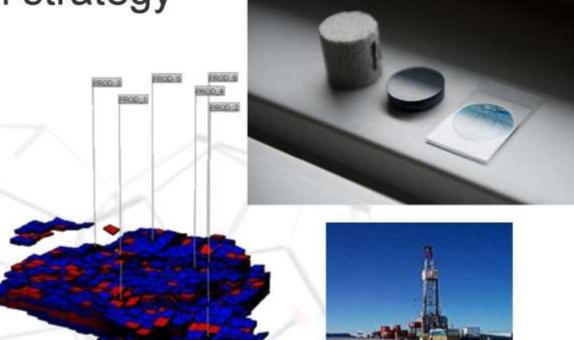
Technology Readiness Level



Statoil's research strategy

Increase research activity
 on hydrate as a resource
 using our extensive
 knowledge of hydrate as a
 production problem

 Evaluate possible longterm production test







Value Chain for gas hydrates

Exploration

 Seismic, CSEM

Production

 Well pattern injection, production









Drilling

 Drilling, Completion, Cementing

Processing

 Flow assurance, water handlling





Gas Hydrate as a Resource

Statoil's Hydrate Initiative

Thomas Reichel & Jarle Husebø
Exploration Global New Ventures / R&D Explore Unconventionals

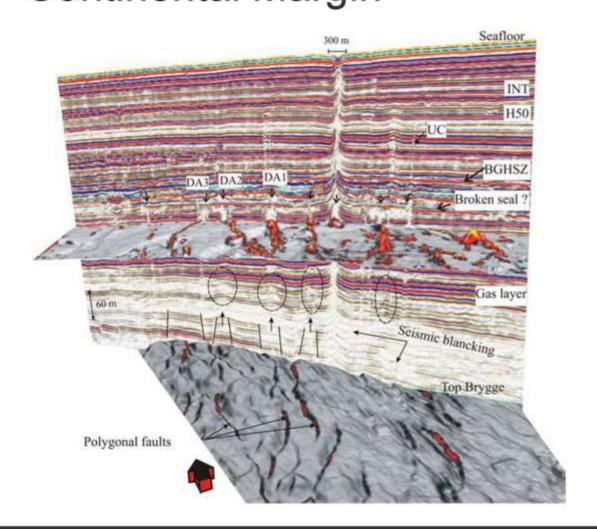
Statoil Internal Gas Hydrate Focus

- Exploration Technology
 - Global Screening for Hydrates
 - R & D Geological and Geophysical Research

- Drilling & Production Technology
 - Hydrates as Geohazard during drilling
 - R & D production strategies from Hydrates
 - Flow Assurance



Gas Hydrate Indications on the Mid-Norway Continental Margin



Results

- Evidence for thermogenic sources
- Migration along deep seated polygonal faults
- Gas hydrates act as "broken" seal
- Migration to seabed through vents/pockmarks

Resources

- Huge GIP ~ 150-1400 GSm³
- Poor reservoir quality
- Low (0,2 GSm³/km²)
 resource density,
 ~ comparable to similar
 hydrate provinces



Marine Methane Hydrate Field Research Plan Consortium for Ocean Leadership



Recommendations

Drilling Programs

Top priories for dedicated scientific drilling are: (1) an expedition designed to further our understanding of the highly concentrated sand-rich methane hydrate reservoirs in the Gulf of Mexico and (2) a drilling program designed to characterize the hydrate systems along the Atlantic margin.

Wells of Opportunity

Establish a high-level international committee to monitor and identify cooperative research and specific scientific drilling opportunities to advance our understanding of methane hydrates in nature.

Marine Methane Hydrate Field Research Plan Consortium for Ocean Leadership



Recommendations

Drilling and Measurement Technology Developments

Review and update technology and operational requirements for each drilling expedition.

Include wireline logging and logging while drilling in all future methane hydrate expeditions.

Further develop downhole geotechnical and scientific tools for methane hydrate related research.

Develop devices specifically designed to monitor methane systems.

Continue to test and develop the Hybrid-PCS, and strongly encourage its use in the field.

Marine Methane Hydrate Field Research Plan Consortium for Ocean Leadership



Recommendations

Data and Science Integration

Support efforts to coordinate the use and integration of field, laboratory, and model derived data.

Information and Technology Transfer

Make use of all available communication channels to disseminate well-vetted data and information on the role that methane hydrates may play as an energy resource, geohazard, or agent of global climate change.

Monitor the methane hydrate scientific community and deal effectively with misinformation through the peer review process and the judicious use of published reviews and rebuttals.

